

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7096

BILL NUMBER: SB 515

NOTE PREPARED: Jan 9, 2015

BILL AMENDED:

SUBJECT: Alcoholic Beverage Licenses.

FIRST AUTHOR: Sen. Charbonneau

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill requires, as a condition of eligibility for certain three-way alcoholic beverage permits issued in a historic area, that a municipal legislative body enter into a formal written commitment with the permit applicant regarding the character and type of business for which the permit is issued.

The bill specifies that the ownership and location of a permit may not be transferred.

It also provides that if business operations cease at the location for which the permit was issued for more than six months, the permit reverts to the Alcohol and Tobacco Commission (ATC).

It requires the ATC to deny the renewal of a permit or revoke a permit if the written commitments are violated.

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Alcohol and Tobacco Commission:* The bill could potentially increase the ATC's administrative costs if the ATC holds additional hearings on the issue of whether a business has violated the written commitment required by the bill. The ATC is also required to forward a copy of an application for renewal of a permit issued under IC 7.1-3-20-16(g) to the municipal legislative body and provide the municipality with notice of any filings, hearings, or other proceedings on the application. The bill's requirements are within the ATC's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

[Current law dictates that no more than ten permits described in the bill may be issued at one time. These permits are issued to restaurants located in or within 700 feet of a historic district.]

Explanation of State Revenues:

Explanation of Local Expenditures: *Municipal Legislative Bodies:* The bill requires a city or town council to enter into a formal written commitment with a restaurant that holds an alcoholic beverage permit in a historic area regarding the character or type of business that will be conducted on the permit premises. The municipality must also adopt an ordinance approving the formal written commitment. These provisions likely do not impose a significant additional cost or workload for a city or town. However, if existing staffing and resource levels in the municipalities affected by the bill are currently being used to capacity, the additional funds and resources required could be supplied through existing staff and resources currently being used in another program.

Explanation of Local Revenues:

State Agencies Affected: ATC.

Local Agencies Affected: Cities and towns.

Information Sources:

Fiscal Analyst: Lauren Tanselle, 317-232-9586.